



# *Welcome*



***NEW  
BUSINESS OUTREACH  
WORKSHOP***



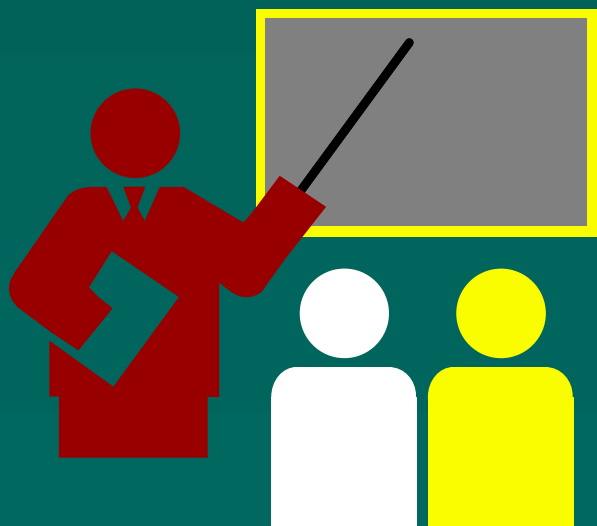
*Washington State Department of Revenue*



# *Class Outline*

- ❖ Excise Taxes
- ❖ B&O Taxes
- ❖ Retail Sales Tax
- ❖ Use Tax
- ❖ Public Utility Taxes
- ❖ Earmarked Taxes and Fees
- ❖ Construction
- ❖ Filing Requirements
- ❖ Due Dates
- ❖ Penalties
- ❖ Accounting Methods
- ❖ Recordkeeping
- ❖ Electronic Filing
- ❖ Preparing the Tax Return

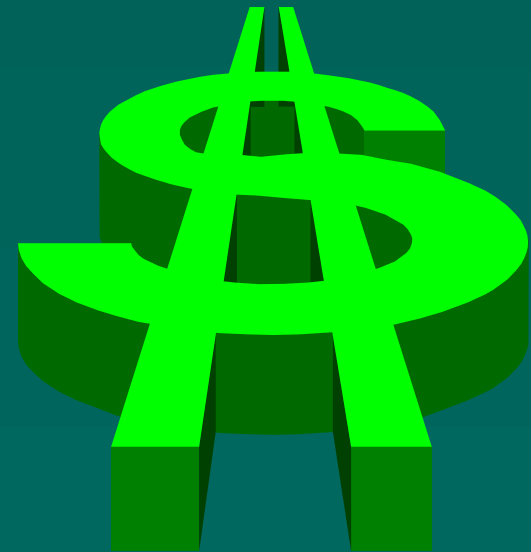
# *Workshop Objective*



- ❖ Provide Washington tax information
- ❖ Complete the Combined Excise Tax Return
- ❖ Provide helpful contacts and resources
- ❖ Answer your questions

# *Department of Revenue*

- ❖ Legislature passes tax laws
- ❖ DOR collects taxes
- ❖ Taxes pay for vital services
- ❖ DOR assists and audits businesses





# *Department Mission*

- ❖ Fairly and efficiently collect revenues
- ❖ Administer programs to fund public services
- ❖ Advocate sound tax policy



# ***Taxpayer Rights***

- ❖ Timely, fair and equitable treatment with dignity and respect
- ❖ Accurate written information on reporting instructions, appeal procedures, refund claims and reasons for assessment
- ❖ Confidentiality of financial and business information



# *Taxpayer Responsibilities*

- ❖ Know your tax reporting obligations and seek instructions when you are uncertain
- ❖ Keep accurate and complete business records
- ❖ File returns and pay taxes in a timely manner



# *Active Nonreporting Businesses*

- ❖ The business activity does not require the collection of retail sales tax
- ❖ Gross income is less than \$28,000 for all B&O taxes and less than \$24,000 for all Public Utility taxes
- ❖ The business owes no other taxes or fees to the Department of Revenue

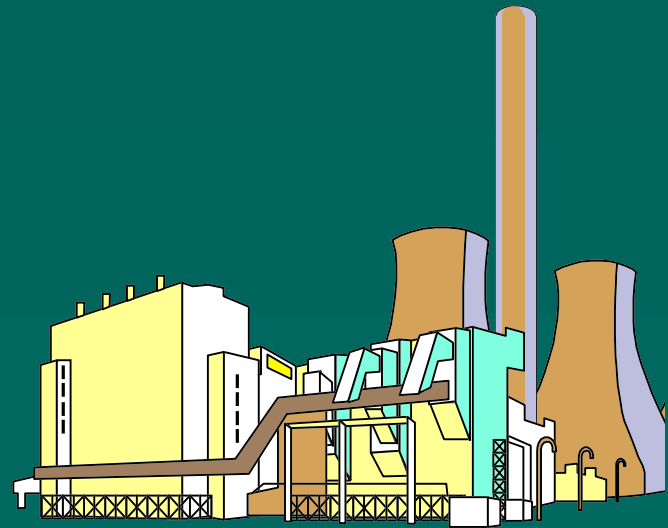
# *Excise Taxes*

- ❖ Tax on buying, selling, using or engaging in business
- ❖ Tax on transactions
- ❖ Not an income tax



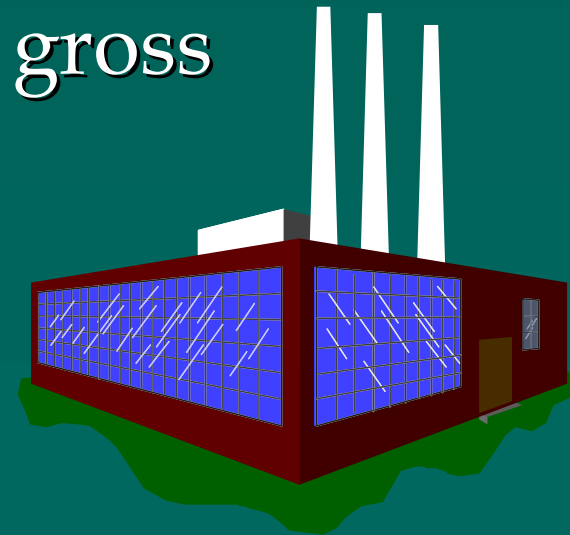
# *Major Excise Taxes*

- ❖ Business and Occupation Tax (B&O)
- ❖ Retail Sales Tax
- ❖ Use Tax
- ❖ Public Utility Tax



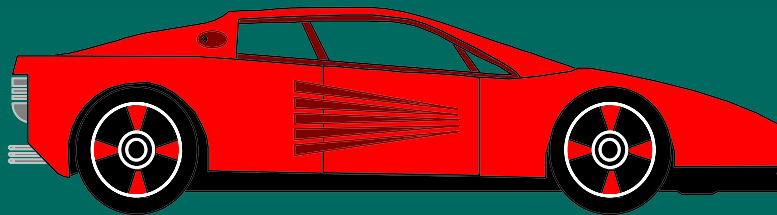
# *Overview of B&O Tax*

- ❖ Tax for act of engaging in business
- ❖ Measured by gross income or gross proceeds of sales
- ❖ 30 classifications; some lines have multiple classifications
- ❖ 12 different tax rates (from .138% to 1.5%)



# *Retailing*


- ❖ For reporting revenues from all retail sales of tangible personal property or labor and repair
- ❖ Examples: Furniture or clothing sales, prepared food sales, auto repairs and detailing, custom construction, physical fitness



# Wholesaling

- ❖ For reporting sales of products or labor to persons who re-sell the same without intervening use
- ❖ The seller must receive and retain a resale certificate





# *Manufacturing*

- ❖ For the revenues of businesses that manufacture products in Washington
- ❖ Tax on the local activity of manufacturing
- ❖ Manufacturing is creating a new, different or more useful product
- ❖ Gross amount is reported under Manufacturing and the Retailing or Wholesaling classifications

# *Service & Other Activities*

- ❖ For the revenues of businesses that provide personal and professional services not defined as a retail sale
- ❖ Examples are: Accountants, Consultants, Engineers, Doctors, Janitorial Services, Clerical Services





# ***B&O Tax Exemptions***

- ❖ Exempt income is not reported
- ❖ Examples:
  - Farming income
  - Certain fundraising income for nonprofit organizations
  - Social service organizations
  - Sales or rental of real estate other than temporary lodging (over 30 days)

# ***B&O Deductions***

- ❖ Bad debts
- ❖ Cash and trade discounts
- ❖ Interstate and foreign sales
- ❖ Returns and allowances
- ❖ Casual sales
- ❖ Tax in gross



# *B&O Tax Credits*

- ❖ Small Business B&O Tax Credit
- ❖ Multiple Activities Tax Credit (MATC)





# *Retail Sales Tax*

- ❖ Tax on the consumer
- ❖ Tax on sale, rental, repair, or installation of tangible personal property (includes labor)
- ❖ Collected by the seller and held in trust for the state
- ❖ Seller may not keep over-collected tax



## ***Retail Sales Tax*** *(continued)*

- ❖ Seller is liable for the sales tax even if they failed to collect it or collected it at the wrong rate
- ❖ State rate is 6.5%
- ❖ Local rates vary from .5% to 1.9%
- ❖ RTA tax is .04%

# *Retail Sales Tax Examples*

- ❖ Vehicles, furniture, clothing, appliances
- ❖ Some amusement and recreation activities are retail sales taxable such as racquetball and golf
- ❖ Construction performed for consumers
- ❖ Parking, title insurance, escrow fees, landscaping, auto repair, laundry and dry cleaning





# *Place of Sale*

## Three Rules:

- Tangible personal property - store location
- Labor, installation, construction - where labor takes place
- Rentals of goods:
  - ◆ Short term - store location
  - ◆ Long term (over 30 days)- where goods are used

# *Geographic Information System (GIS)*

- ❖ New simplified sales/use tax rates and coding system
- ❖ Three formats available
  - City/County Map Lookup
  - Address Lookup
  - Download Data
- ❖ Available through the Department's Internet web site at [dor.wa.gov](http://dor.wa.gov), under the Services hot button and globe icon





# *Retail Sales Tax Deductions*

- ❖ Bad debts
- ❖ Cash and trade discounts
- ❖ Interstate and foreign sales
- ❖ Tax in gross
- ❖ Returns and allowances
- ❖ Sales to the US government

# *Retail Sales Tax Deductions*

*(continued)*

- ❖ Qualified nonresident sales
- ❖ Trade-in allowance
- ❖ Sales to Indians delivered on reservations
- ❖ Tax paid at source





# *Manufacturing Machinery & Equipment*

- ❖ Sales or repairs to:
  - Machinery and equipment
    - ◆ Used directly in a manufacturing process or
    - ◆ For transporting or storing
  - Raw materials and ingredients
    - ◆ Used directly in a manufacturing process
  - Obtain an M&E certificate from purchaser



# *Deductions: B&O Tax vs Sales Tax*

## B&O TAX

---

- ❖ Bad debts
- ❖ Interstate and foreign sales
- ❖ Cash and trade discounts
- ❖ Tax in gross
- ❖ Returns and allowances
- ❖ Casual sales

## SALES TAX

---

- ❖ Bad debts
- ❖ Interstate and foreign sales
- ❖ Cash and trade discounts
- ❖ Tax in gross
- ❖ Returns and allowances
- ❖ Sales to the US government
- ❖ Qualified nonresident sales
- ❖ Trade-in allowance
- ❖ Sales to Indians
- ❖ Tax paid at source



# *Resale Certificates*

- ❖ All sales of a retail nature will be classified as retail sales unless a resale certificate is obtained
- ❖ For a single purchase or in blanket form
- ❖ Only recording the purchaser's UBI number is not sufficient
- ❖ Certificates must be taken in good faith
- ❖ When purchasing goods for resale, you must provide the supplier with a resale certificate



# *Resale Certificate*

## Resale Certificate

Name of Seller: \_\_\_\_\_ Name of Buyer/Business: \_\_\_\_\_

Address of Buyer: \_\_\_\_\_

Street

City, State

Zip Code

Buyer's UBI/Revenue Registration Number: \_\_\_\_\_ Buyer is in the business of: \_\_\_\_\_

Types if items purchased for resale: \_\_\_\_\_

*The buyer certifies that it is purchasing the items listed above (please check appropriate box):*

- ☐ *for resale in the regular course of business without intervening use.*
- ☐ *for use as an ingredient or component part of a new article of tangible personal property to be produced for sale,*
- ☐ *as a chemical to be used in processing a new article of tangible personal property to be produced for sale, or*
- ☐ *for use as feed, seed, seedlings, fertilizer, or spray materials in its capacity as a farmer.*

*The buyer acknowledges that it is solely responsible for purchasing within the categories listed on line 6. The buyer acknowledges that misuse of the resale privilege subjects the buyer to a **penalty of 50 percent of the tax due**, in addition to the tax, interest, and any other penalties imposed by law.*

Print Name: \_\_\_\_\_

Name of Person Authorized By the Buyer to Sign the Resale Certificate

Signature: \_\_\_\_\_

Signature of Authorized Agent of the Buyer

Effective Date: \_\_\_\_\_ through \_\_\_\_\_ Date Signed: \_\_\_\_\_

(Not To Exceed 4 Years)

**NOTE:** This is a **SAMPLE** Resale Certificate. It has been provided in this guide for your convenience. You may copy and use this form, or you may purchase a Resale Certificate from your local stationery store.



# *Construction/Contractors*

## ❖ Prime Contractors

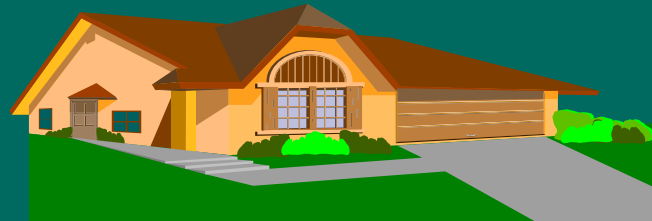
- Work for a homeowner or end user
- Pay Retailing B&O and collect Retail Sales Tax

## ❖ Subcontractors

- Work for prime contractors who resell labor to a homeowner or end user
- Pay Wholesaling B&O
- Collect a resale certificate from Prime Contractor

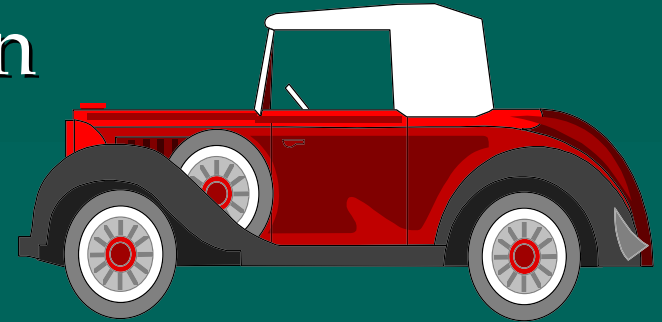
# *Construction/Contractors*

- ❖ Custom Construction is building for a land owner
- ❖ Must pay retailing B&O tax and retail sales tax
- ❖ Materials and subcontract work may be purchased for resale
- ❖ Speculative construction is building on land the builder owns
- ❖ No B&O tax is due
- ❖ Retail sales tax or use tax is due on all materials and subcontract work



# *Use Tax*

- ❖ Companion to sales tax on goods acquired for use in Washington
- ❖ When sales tax is not paid, use tax is due
- ❖ Generally, buyer must pay directly to DOR
- ❖ Value is taxable amount
- ❖ Rates same as sales tax, based on location of first use in Washington





# *Deferred Sales Tax*

- ❖ Tax due when goods or services are acquired without payment of sales tax under conditions such that the sales tax should have been paid
- ❖ Rate same as sales tax at the seller's location

# *Use Tax - Examples*

- ❖ Purchases from out-of-state vendors
- ❖ Equipment used on construction jobs
- ❖ Furniture, fixtures and equipment that are purchased with an existing business



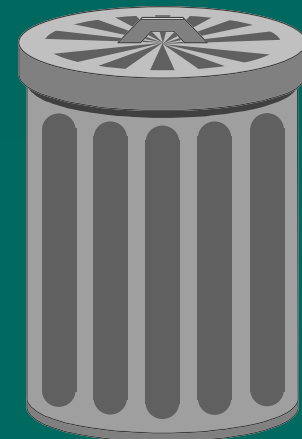


# *Public Utility Tax*

- ❖ Tax on business for act of operating a public utility business
- ❖ Similar to B&O tax, but on public utility businesses
- ❖ Such as sewer facilities and trucking or motor transportation

# *Earmarked Taxes and Fees*

- ❖ Convention and trade center tax
- ❖ Special hotel/motel tax
- ❖ Tobacco products tax
- ❖ Hazardous substance tax
- ❖ Solid fuel burning device fee
- ❖ Litter tax



# *Personal Property Tax*

- ❖ All personal property used in businesses
- ❖ Collected by County Auditors
- ❖ 100% of true and fair value
- ❖ Affidavits due by April 30
- ❖ Taxable property as of noon on January 1

January	February
1	
March	April
	30
May	June
July	August
September	October
	31
November	December

# *Reporting Frequency*

- ❖ New businesses are assigned monthly, quarterly or annual reporting frequencies

January						
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

# *Due Dates*

- ❖ Monthly
  - Due 25th of the following month
- ❖ Quarterly
  - Due the last day of the month following the quarter
- ❖ Annual
  - Due January 31 of the following year
- ❖ If the due date is on a weekend or holiday, the return is due the next business day

January						
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

# *Penalties*

- ❖ A return must be filed even if there is “no business”
- ❖ Penalties are as follows:
  - 5% filed after the due date
  - 10% filed after last day of the month following the due date
  - 20% filed after last day of the second month following the due date
- ❖ Extensions can be requested
- ❖ Penalties can be waived



# *Accounting Methods*

## ❖ Cash basis

- Entity is engaged in strictly cash business and reports to IRS on cash basis
- Reports when cash is received
- Examples: Supermarkets, restaurants, hair salons

## ❖ Accrual basis

- Business reports to IRS on accrual or hybrid basis
- Reports when customer is billed/invoiced

# *Record Keeping Requirements*

- ❖ Records should be kept for a minimum of five years



- ❖ Include:
  - Copies of Federal, State and Local tax returns and workpapers
  - General ledgers
  - Sales journal
  - Check register
  - Sales invoices
  - Purchase invoices
  - Records as required by deductions



## *Helpful Hints (continued)*

- ❖ Set up separate bank accounts
  - Personal
  - Business: One for normal business and one for taxes
- ❖ Returns are considered filed on the date of postmark, so mail it early



## *Helpful Hints* (continued)

- ❖ Moving? Notify the Department of your new address (physical and mailing)
- ❖ If you can't pay, contact us right away
- ❖ Be aware of penalties for late filing and payment
- ❖ Any other questions? CALL US!!

# *ELF - Electronic Filing*

*Now offering filing and paying taxes over  
the Internet*

.....




- ❖ Simple
- ❖ Accurate
- ❖ Secure
- ❖ Fast
- ❖ Free
- ❖ More about the program on our  
web site at <http://dor.wa.gov>




# *Exercises*



# Exercise One (top page 1)



State of Washington  
Department of Revenue  
PO Box 34051  
Seattle, WA 98124-1051

**JULY 2001**

**COMBINED EXCISE TAX RETURN**

ONLY Fill in Box if Amended Return Information Attached

07

01

NAME: Sam's Janitorial REG NO: 600-600-600

FIRM NAME: \_\_\_\_\_

STREET ADDRESS: 1234 Maple Lane

CITY, STATE, ZIP: Olympia, WA 98501

☒ Filing electronically? Only fill in this box ☐ and Total Amount Owed.

Address Changes? ☐ business location ☐ mailing address ☐ both ☐ Business closed? ☐ Date closed: \_\_\_\_/\_\_\_\_/\_\_\_\_ See note 5, page 2.

Please fill in the appropriate box and make address changes to the above label.

I STATE BUSINESS AND OCCUPATION TAX							
Line No.	Tax Classification	Code	Column 1 Gross Amount	Col. 2 Deductions* Totals from Pg. 3 & 4	Column 3 Taxable Amount	Col. 4 Rate	Column 5 Tax Due
1	Extracting, Extracting for Hire	16				.00484	
2	Slaughter, Break Proc., Fresh Meat/Whisk, Mfg. Wheat into Flour, Raw Seafood, Soybean & Canola Proc.	30				.00138	
3	Travel Agent Com.; Int'l Charter Freight Brokers; Stevedoring	28				.00275	
4	Insurance Agents; Insurance Brokers Commis.	14				.00484	
5	Manuf. Fresh Fruit and Veg.; Split or Proc. Dried Peas; Prescription Drug Warehousing	21				.00138	
6	Processing for Hire; Printing and Publishing	10				.00484	
7	Manufacturing	07				.00484	
8	Royalties; Child Care	80				.00484	
9	Wholesaling	03				.00484	
10	Warehousing; Radio & TV Broadcasting; Public Road Construction; Government Contracting	11				.00484	
11	Public or Nonprofit Hospitals	55				.015	
12	Cleanup of Radioactive Waste for US Govt; Environmental Remedial Action	83				.00471	
13	Service & Other Activities	04	10,000	00	10,000	.015	150 00
14	Retailing of Interstate Transportation Equip.	19				.00484	
15	Retailing	02				.00471	
					<b>TOTAL B&amp;O TAX</b>		<b>150 00</b>

\* Deductions taken but not itemized on pages 3 and 4 will be disallowed.

**II STATE SALES AND USE TAX**

# Exercise One (bottom page 1)

RETAIL SALES MUST BE THE SAME			II STATE SALES AND USE TAX		
16	Retail Sales (also complete local tax section III)	01		.065	
17	Use Tax (also complete local tax section III)	05		.065	
			Value of articles used by taxpayer as a consumer on which no Washington sales tax has been paid		
			065		
<b>III LOCAL CITY AND/OR COUNTY SALES AND USE TAX</b>					
Local Sales Tax (Enter applicable rate of tax)			Code 45		
Total Taxable Amount must be the same as line 16, column 3, Taxable Amount					
Line No.	Location Code	Taxable Amount	Local Rate	Tax Due City or Co.	
18					
19					
20					
21					
22					
TOTAL TAXABLE			TOTAL		
Local Use Tax (Enter applicable rate of tax)			Code 46		
Total Value of Articles must be the same as line 17, column 1, Gross Amount					
Line No.	Location Code	Value of Articles	Local Rate	Tax Due City or Co.	
23					
24					
25					
TOTAL VALUE OF ARTICLES			TOTAL		
Line No.	Tax Classification	Code	Taxable Amount	Rate	Tax Due
26	Region Transit Authority (RTA)	89		.004	
27	King County Food & Bev	90		.005	
28	Litter Tax	36		.00015	

AUGUST 2001	
S	M T W T F S
1	2 3 4
5	6 7 8 9 10 11
12	13 14 15 16 17 18
19	20 21 22 23 24 25
26	27 28 29 30 31

**25** **DUE DATE: AUGUST 25, 2001**  
 5% Penalty is Due After August 27, 2001  
 10% Penalty is Due After October 1, 2001  
 20% Penalty is Due After October 31, 2001  
 If the due date falls on a weekend or legal holiday, the due date is extended to the next business day.

► Please fill in this box if you had no business activity. ☐ (see note 6, page 2)  
 ► This return must be mailed, unless filed electronically with no tax due.  
 ► Please make check or money order payable to the Washington State Department of Revenue. Do not send cash or coins.  
 ► For assistance, call (800) 647-7706.  
 ► Signature Sam Jones  
 ► Ph. (360) 622-0000 Date 8/5/01

Line No.	Item	VIII TOTALS
29	Total All Tax Due from page 1	150.00
30	Total All Tax Due from page 2	
31	Rental Car Tax (attach Rental Car Tax Addendum)	
32	Subtotal (add lines 29-31)	150.00
33	Credit (from page 2, section VII, total credit)	
34	Subtotal (subtract line 33 from line 32)	150.00
35	Penalty *	Minimum \$5.00
36	Interest	
<b>TOTAL AMOUNT OWED (add lines 34 - 36)</b>		<b>150.00</b>




REV 40 2406 JULY/01 (5-25-01)

\* If you qualify, attach penalty waiver request and fill in box.

(see note 4, page 2)

1

# Exercise Two (top page 1)

State of Washington  
Department of Revenue  
PO Box 34051  
Seattle, WA 98124-1051

**JULY 2001**

**COMBINED EXCISE TAX RETURN**

ONLY Fill in Box if Amended Return Information Attached

07

01

NAME Smith, Joe REG NO 600-600-600

FIRM NAME Joe's Accounting

STREET ADDRESS 123 A Street

CITY, STATE, ZIP Orting, WA 98360

☒ Filing electronically? Only fill in this box ☐ and Total Amount Owed.

Address Changes? ☐ business location ☐ mailing address ☐ both ☐ Business closed? ☐ Date closed      See note 5, page 2.

Please fill in the appropriate box and make address changes to the above label.

Line No.	Tax Classification	Code	Column 1 Gross Amount	Col. 2 Deductions* Totals from Pg. 3 & 4	Column 3 Taxable Amount	Col. 4 Rate	Column 5 Tax Due
1	Extracting, Extracting for Hire	16				.00484	
2	Slaughter, Break Proc, Perish Meat/Whse, Mfg Wheat Into Flour, Raw Seafood, Soybean & Canola Proc	30				.00138	
3	Travel Agent Com, Int Charter Freight Brokers, Stevedoring	28				.00275	
4	Insurance Agents, Insurance Brokers, Commis	14				.00484	
5	Manuf Fresh Fruit and Veg; Split or Proc Dried Peas, <u>Prescription Drug Warehousing</u>	21				.00138	
6	Processing for Hire; Printing and Publishing	10				.00484	
7	Manufacturing	07				.00484	
8	Royalties; Child Care	80				.00484	
9	Wholesaling	03				.00484	
10	Warehousing; Radio & TV Broadcasting; Public Road Construction; Government Contracting	11				.00484	
11	Public or Nonprofit Hospitals	55				.015	
12	Cleanup of Radioactive Waste for US Gov't; Environmental Remedial Action	83				.00471	
13	Service & Other Activities	04	4,000 00		4,000 00	.015	60 00
14	Retailing of Interstate Transportation Equip	19				.00484	
15	Retailing	02	500 00	500 00	-0-	.00471	
			<b>TOTAL B&amp;O TAX</b>		<b>60 00</b>		

\* Deductions taken but not itemized on pages 3 and 4 will be disallowed.

GROSS AMOUNTS FOR RETAILING AND RETAIL SALES MUST BE THE SAME

**II STATE SALES AND USE TAX**

# Exercise Two (bottom page 1)

**GROSS AMOUNTS FOR RETAILING AND RETAIL SALES MUST BE THE SAME**

\* Deductions taken but not itemized on pages 3 and 4 will be disallowed.

**TOTAL B&O TAX** 60 00

**II STATE SALES AND USE TAX**

16	Retail Sales (also complete local tax section III)	01	<u>500 00</u>		<u>500 00</u>	.065	<u>32 50</u>
17	Use Tax (also complete local tax section III)	05		Value of articles used by taxpayer as a consumer on which no Washington sales tax has been paid		.065	

**TOTAL STATE SALES & USE TAX** 32 50

**III LOCAL CITY AND/OR COUNTY SALES AND USE TAX**

Local Sales Tax (Enter applicable rate of tax) Code 45  
Total Taxable Amount must be the same as line 16, column 3, Taxable Amount

Line No.	Location Code	Taxable Amount	Local Rate	Tax Due City or Co.
18	<u>2710</u>	<u>500 00</u>	<u>.016</u>	<u>8 00</u>
19				
20				
21				
22				
<b>TOTAL TAXABLE</b>		<u>500 00</u>		<u>8 00</u>

Local Use Tax (Enter applicable rate of tax) Code 46  
Total Value of Articles must be the same as line 17, column 1, Gross Amount

Line No.	Location Code	Value of Articles	Local Rate	Tax Due City or Co.
23				
24				
25				
<b>TOTAL VALUE OF ARTICLES</b>				

Line No.	Tax Classification	Code	Taxable Amount	Rate	Tax Due
26	Region Transit Authority (RTA)	89	<u>500 00</u>	.004	<u>2 00</u>
27	King County Food & Bev	90		.005	
28	Litter Tax	36		.00015	

**AUGUST 2001**

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

**25** **DUE DATE: AUGUST 25, 2001**  
5% Penalty is Due After August 27, 2001  
10% Penalty is Due After October 1, 2001  
20% Penalty is Due After October 31, 2001  
If the due date falls on a weekend or legal holiday, the due date is extended to the next business day.

Please fill in this box if you had no business activity. ☐ (see note 6, page 2)  
This return must be mailed, unless filed electronically with no tax due.  
Please make check or money order payable to the Washington State Department of Revenue. Do not send cash or coins.  
For assistance, call (800) 647-7706.

Signature Joe Smith  
Ph. (206) 277-0000 Date 8/5/01

**VIII TOTALS**

Line No.	Item	
29	Total All Tax Due from page 1	<u>102 50</u>
30	Total All Tax Due from page 2	
31	Rental Car Tax (attach Rental Car Tax Addendum)	
32	Subtotal (add lines 29-31)	<u>102 50</u>
33	Credit (from page 2, section VII, total credit)	<u>15 00</u>
34	Subtotal (subtract line 33 from line 32)	<u>87 50</u>
35	Penalty *	
36	Interest	
<b>TOTAL AMOUNT OWED (add lines 34 - 36)</b>		<u>87 50</u>

REV 40 2406 JULY/01 (5-25-01) \*If you qualify, attach penalty waiver request and fill in box (see note 4, page 2)

# Exercise Two (bottom page 2)

## NOTE:

1. If you do not have deductions, do not return pages 3 and 4.
2. If you have deductions, complete and return pages 3 and 4.
3. **LOCAL CITY AND/OR COUNTY SALES AND USE TAX.** For your convenience, a copy of the Local City and/or County Sales and Use Tax supplemental form is provided in the "Business Tax Guide." If more space is required, you may make copies of this form or attach additional local tax information in the same format.
4. For more information about the penalty waiver criteria, please call Tax Express at (800) 334-8969, enter code 429.
5. For more information about business closures, please call Tax Express at (800) 334-8969, enter code 430.
6. If you would like to file "No Business Activity" by telephone, please call our toll-free number (800) 647-7706 and do not mail return.
7. To inquire about the availability of this form in an alternate format for the visually impaired, please call (360) 753-3217. Teletype (TTY) users may call (800) 451-7985.
8. **Need Help?** If you need further information, please refer to the "Business Tax Guide", or call the Department of Revenue office nearest you, or our toll-free number (800) 647-7706. You may also access our Internet home page at <http://dor.wa.gov>.

## VII CREDITS

Line No.	Credit Classification	Credit I.D.	Amount
60	Multiple Activities Tax Credit (attach Schedule C)	800	
61	High Technology Credit (attach Research & Development Credit Affidavit)	830	
62	Manufacturing Software, Programming Rural Employment B&O Credit	860	
63	Help Desk Services B&O Credit	865	
64	Alternatives to Field Burning B&O Credit	875	
65	International Services Credit	855	
66	Small Business B&O Tax Credit (see table enclosed)	815	16.00
67	Electric Utility Rural Economic Development Revolving Fund Public Utility Tax Credit	870	
68	Bad Debt Tax Credit (attach Schedule B)	801	
69	Hazardous Substance	805	
70	Public Utility Tax Credit for Billing Discounts/Qualified Contributions to a Low Income Home Energy Assistance Fund	880	
71	Other Credits (attach appropriate documents)	810	
TOTAL CREDIT (transfer to page 1, line 33)			15.00

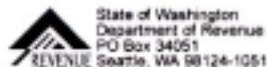
REV 40 2406 JULY/01 (5-25-01)



THIS FORM IS PRINTED ON RECYCLED PAPER

2

# Exercise Two (top page 3)



State of Washington  
Department of Revenue  
PO Box 34051  
REVENUE Seattle, WA 98124-1051

JULY 2001

## DEDUCTION DETAIL

07

01

- Deductions taken on the Combined Excise Tax Return, but not itemized on this form will be disallowed.
- Report deductions under the heading that corresponds to your reporting activity.
- Transfer the total amount of each deduction from this form to the corresponding tax classification on your return in the deduction column.

*If Completing, Fill out Name, Registration Number and Attach to Combined Excise Tax Return.*

Name Joe's Accounting Registration No. 600 - 600 - 600

Line 1 - Extracting, Extracting for Hire	I.D.	Amount
Bad Debts	1601	
Cash & Trade Discounts	1602	
Other (Explain):	1699	
<b>TOTAL</b>		
Line 2 - Slaughter, Break Processing...	I.D.	Amount
Bad Debts	3001	
Cash & Trade Discounts	3002	
Other (Explain):	3099	
<b>TOTAL</b>		
Line 3 - Travel Agent Com; Intl Charter...	I.D.	Amount
Bad Debts	2801	
Cash & Trade Discounts	2802	
Other (Explain):	2899	
<b>TOTAL</b>		
Line 4 - Insurance Agents; Insurance...	I.D.	Amount
Bad Debts	1401	
Other (Explain):	1499	
<b>TOTAL</b>		
Line 5 - Manufacturing Fresh Fruits and...	I.D.	Amount

Line 9 - Wholesaling	I.D.	Amount
Bad Debts	0301	
Cash & Trade Discounts	0302	
Interstate & Foreign Sales	0304	
Motor Vehicle Fuel Tax	0305	
Casual Sales; Accommodation Sales	0306	
Advances Reimbursements; Rtns & Allowances	0307	
No Local Activity	0308	
Other (Explain):	0399	
<b>TOTAL</b>		
Line 10 - Warehousing; Radio & TV...	I.D.	Amount
Bad Debts	1101	
Cash & Trade Discounts	1102	
Interstate & Foreign Sales	1104	
Advances Reimbursements; Rtns & Allowances	1107	
Radio/TV Advertising	1109	
Other (Explain):	1199	
<b>TOTAL</b>		
Line 11 - Public or Nonprofit Hospitals	I.D.	Amount
Bad Debts	5501	
Cash & Trade Discounts	5502	
Advances Reimbursements; Rtns & Allowances	5507	

# Exercise Two (top page 4)

Line 15 - Retailing (B&O)	I.D.	Amount
Bad Debts	0201	
Cash & Trade Discounts	0202	
Interstate & Foreign Sales	0204	
Motor Vehicle Fuel Tax	0205	
Advances Reimbursements; Rtns & Allowances	0207	
No Local Activity	0208	
Casual Sales; Accommodation Sales	0213	500 <sup>00</sup>
Tax in Gross	0214	
Consignment Sales	0215	
Artistic/Cultural Activities	0216	
Presc. Drugs Sold by Pub. Oper/Nonprofit Hospitals	0217	
Other (Explain):	0299	
<b>TOTAL</b>		<b>500<sup>00</sup></b>

Not all deductions are allowable from both Retailing (B&O Tax) and Retail Sales Tax.

Line 16 - Retail Sales Tax	I.D.	Amount
Bad Debts	0101	
Cash & Trade Discounts	0102	
Interstate & Foreign Sales	0104	
Tax in Gross	0114	
Sales to U.S. Government	0118	
Motor Vehicle Fuel Sales	0119	
Prescription Drugs/Hearing Aids/Lenses/etc	0121	
Exempt Food Sales	0122	
Qualified Nonresident Sales	0123	
Trade-in Allowance	0124	

Line 47 - Power	I.D.	Amount
Bad Debts	4901	
Cash & Trade Discounts	4902	
Interstate & Foreign Sales	4904	
Amounts Paid to Another for Services Jointly Provided	4939	
Amounts Expnd. to Improve Consumer Efficiency	4942	
Low Density/Wholesale Power Costs	4947	
Other (Explain):	4999	

**TOTAL**

Line 48 - Gas Distribution; Telegraph	I.D.	Amount
Bad Debts	2601	
Cash & Trade Discounts	2602	
Interstate & Foreign Sales	2604	
Amounts Paid to Another for Services Jointly Provided	2639	
Other (Explain):	2699	




**TOTAL**

Line 49 - Motor Transportation; Railroad...	I.D.	Amount
Bad Debts	0801	
Cash & Trade Discounts	0802	
Interstate & Foreign Sales	0804	
Amounts Paid to Another for Services Jointly Provided	0839	
Other (Explain):	0899	

**TOTAL**

Line 50 - Urban Transportation; Vessels...	I.D.	Amount
Bad Debts	1201	
Cash & Trade Discounts	1202	
Interstate & Foreign Sales	1204	

# Exercise Three (top page 1)

State of Washington  
Department of Revenue  
PO Box 34051  
Seattle, WA 98124-1051

**JULY 2001**

**COMBINED EXCISE TAX RETURN**

ONLY Fill in Box if Amended Return Information Attached

07

01

NAME Smith, Jane REG NO 600-600-600

FIRM NAME Smith's Landscaping

STREET ADDRESS 456 State Street

CITY, STATE, ZIP Tacoma, WA 98444

☒ Filing electronically? Only fill in this box ☐ and Total Amount Owed.

Address Changes? ☐ business location ☐ mailing address ☐ both ☐ Business closed? ☐ Date closed      /      /      See note 5, page 2.

Please fill in the appropriate box and make address changes to the above label.

Line No.	Tax Classification	Code	Column 1 Gross Amount	Col. 2 Deductions* Totals from Pg. 3 & 4	Column 3 Taxable Amount	Col. 4 Rate	Column 5 Tax Due
1	Extracting, Extracting for Hire	16				.00484	
2	Slaughter, Break Proc. Petish Meat-Whise; Mfg Wheat into Flour; Raw Seafood, Soybean & Canola Proc	30				.00138	
3	Travel Agent Com; Int Charter Freight Brokers; Stevedoring	28				.00275	
4	Insurance Agents; Insurance Brokers Commis	14				.00484	
5	Manuf Fresh Fruit and Veg; Split or Proc Dried Fess; <del>Preparation Drugs Warehousing</del>	21				.00138	
6	Processing for Hire; Printing and Publishing	10				.00484	
7	Manufacturing	07				.00484	
8	Royalties; Child Care	80				.00484	
9	Wholesaling	03	619 84		619 84	.00484	3 00
10	Warehousing; Radio & TV Broadcasting; Public Road Construction; Government Contracting	11				.00484	
11	Public or Nonprofit Hospitals	55				.015	
12	Cleanup of Radioactive Waste for US Gov't; Environmental Remedial Action	83				.00471	
13	Service & Other Activities	04				.015	
14	Retailing of Interstate Transportation Equip	19				.00484	
15	Retailing	02	9,978 77		9,978 77	.00471	47 00
<b>TOTAL B&amp;O TAX</b>							<b>50 00</b>

\* Deductions taken but not itemized on pages 3 and 4 will be disallowed.

# Exercise Three (bottom page 1)

**GROSS AMOUNTS FOR RETAILING AND RETAIL SALES MUST BE THE SAME**

**II STATE SALES AND USE TAX**

16	Retail Sales (also complete local tax section III)	01	9,978 77	478 77	9,500 00	.065	617 50
17	Use Tax (also complete local tax section III)	05	300 00			.065	19 50

Value of articles used by taxpayer as a consumer on which no Washington sales tax has been paid

**TOTAL B&O TAX** 50 00

**III LOCAL CITY AND/OR COUNTY SALES AND USE TAX**

Local Sales Tax (Enter applicable rate of tax) Code 45  
Total Taxable Amount must be the same as line 16, column 3, Taxable Amount

Line No.	Location Code	Taxable Amount	Local Rate	Tax Due City or Co.
18	2727	9,500 00	.016	152 00
19				
20				
21				
22				
<b>TOTAL TAXABLE</b>		9,500 00		152 00

Local Use Tax (Enter applicable rate of tax) Code 46  
Total Value of Articles must be the same as line 17, column 1, Gross Amount

Line No.	Location Code	Value of Articles	Local Rate	Tax Due City or Co.
23	2727	300 00	.016	4 80
24				
25				
<b>TOTAL VALUE OF ARTICLES</b>		300 00		4 80

**Local Use Tax**

Line No.	Tax Classification	Code	Taxable Amount	Rate	Tax Due
26	Region Transit Authority (RTA)	89	9,800 00	.004	39 20
27	King County Food & Bev	90		.005	
28	Litter Tax	36		.00015	

**IV TOTALS**

Line No.	Item	VIII TOTALS
29	Total All Tax Due from page 1	883 00
30	Total All Tax Due from page 2	
31	Rental Car Tax (attach Rental Car Tax Addendum)	
32	Subtotal (add lines 29-31)	883 00
33	Credit (from page 2, section VII, total credit)	25 00
34	Subtotal (subtract line 33 from line 32)	858 00
35	Penalty *	
36	Interest	
<b>TOTAL AMOUNT OWED (add lines 34 - 36)</b>		858 00

**DUE DATE: AUGUST 25, 2001**  
5% Penalty is Due After August 27, 2001  
10% Penalty is Due After October 1, 2001  
20% Penalty is Due After October 31, 2001  
If the due date falls on a weekend or legal holiday, the due date is extended to the next business day.

**Signature:** Gene Smith  
**Ph.:** (253) 622-0000  
**Date:** 8/5/01

REV 40 2406 JULY/01 (5-25-01) \* If you qualify, attach penalty waiver request and fill in box (see note 4, page 2)

# Exercise Three (bottom page 2)

## NOTE:

1. If you do not have deductions, do not return pages 3 and 4.
2. If you have deductions, complete and return pages 3 and 4.
3. **LOCAL CITY AND/OR COUNTY SALES AND USE TAX.** For your convenience, a copy of the Local City and/or County Sales and Use Tax supplemental form is provided in the "Business Tax Guide." If more space is required, you may make copies of this form or attach additional local tax information in the same format.
4. For more information about the penalty waiver criteria, please call Tax Express at (800) 334-8969, enter code 429.
5. For more information about business closures, please call Tax Express at (800) 334-8969, enter code 430.
6. If you would like to file "No Business Activity" by telephone, please call our toll-free number (800) 647-7706 and do not mail return.
7. To inquire about the availability of this form in an alternate format for the visually impaired, please call (360) 753-3217. Teletype (TTY) users may call (800) 451-7985.
8. **Need Help?** If you need further information, please refer to the "Business Tax Guide", or call the Department of Revenue office nearest you, or our toll-free number (800) 647-7706. You may also access our Internet home page at <http://dor.wa.gov>.

## VII CREDITS

Line No.	Credit Classification	Credit I.D.	Amount
60	Multiple Activities Tax Credit (attach Schedule C)	800	
61	High Technology Credit (attach Research & Development Credit Affidavit)	830	
62	Manufacturing Software, Programming Rural Employment B&O Credit	860	
63	Help Desk Services B&O Credit	865	
64	Alternatives to Field Burning B&O Credit	875	
65	International Services Credit	855	
66	Small Business B&O Tax Credit (see table enclosed)	815	25 00
67	Electric Utility Rural Economic Development Revolving Fund Public Utility Tax Credit	870	
68	Bad Debt Tax Credit (attach Schedule B)	801	
69	Hazardous Substance	805	
70	Public Utility Tax Credit for Billing Discounts/Qualified Contributions to a Low Income Home Energy Assistance Fund	880	
71	Other Credits (attach appropriate documents)	810	
TOTAL CREDIT (transfer to page 1, line 33)			25 00

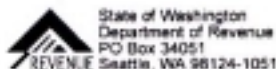
REV 40 2406 JULY/01 (5-25-01)



THIS FORM IS PRINTED ON RECYCLED PAPER

2

# Exercise Three (top page 3)



State of Washington  
Department of Revenue  
PO Box 34051  
Seattle, WA 98124-1051

JULY 2001

## DEDUCTION DETAIL

07

01

- Deductions taken on the Combined Excise Tax Return, but not itemized on this form will be disallowed.
- Report deductions under the heading that corresponds to your reporting activity.
- Transfer the total amount of each deduction from this form to the corresponding tax classification on your return in the deduction column.

*If Completing, Fill out Name, Registration Number and Attach to Combined Excise Tax Return.*

Name

Smith's Landscaping

Registration No.

600 - 600 - 600

Line 1 - Extracting, Extracting for Hire	I.D.	Amount
Bad Debts	1601	
Cash & Trade Discounts	1602	
Other (Explain):	1699	
<b>TOTAL</b>		
Line 2 - Slaughter, Break Processing...	I.D.	Amount
Bad Debts	3001	
Cash & Trade Discounts	3002	
Other (Explain):	3099	
<b>TOTAL</b>		
Line 3 - Travel Agent Com; Intl Charter...	I.D.	Amount
Bad Debts	2801	
Cash & Trade Discounts	2802	
Other (Explain):	2899	
<b>TOTAL</b>		
Line 4 - Insurance Agents; Insurance...	I.D.	Amount
Bad Debts	1401	
Other (Explain):	1499	
<b>TOTAL</b>		

Line 9 - Wholesaling	I.D.	Amount
Bad Debts	0301	
Cash & Trade Discounts	0302	
Interstate & Foreign Sales	0304	
Motor Vehicle Fuel Tax	0305	
Casual Sales; Accommodation Sales	0306	
Advances Reimbursements; Rtns & Allowances	0307	
No Local Activity	0308	
Other (Explain):	0399	
<b>TOTAL</b>		
Line 10 - Warehousing; Radio & TV...	I.D.	Amount
Bad Debts	1101	
Cash & Trade Discounts	1102	
Interstate & Foreign Sales	1104	
Advances Reimbursements; Rtns & Allowances	1107	
Radio/TV Advertising	1109	
Other (Explain):	1199	
<b>TOTAL</b>		
Line 11 - Public or Nonprofit Hospitals	I.D.	Amount
Bad Debts	5501	
Cash & Trade Discounts	5502	
Advances Reimbursements; Rtns & Allowances	5507	

# Exercise Three (bottom page 4)

Sales to Indians with Delivery on the Reservation	0128		
Sales of Feed to Fish Farmers	0129		
Taxable Amount for Tax Paid at Source	0130	478 77	
Returns & Allowances	0131		
Sales to Nonprofit Artists/Cultural Art Objects for Displays	0132		
Ride-Sharing Vans	0134		
Purebred Livestock for Breeding	0135		
Tax Deferral/Investment Certificate No. _____	0136		
Sale of Manufacturing Mach/Equip; Install Labor	0156		
Other (Explain):	0199		
<b>TOTAL</b>		<b>478 77</b>	
<b>Line 45 - Water Distribution</b>	<b>I.D.</b>	<b>Amount</b>	
Bad Debts	6001		
Cash & Trade Discounts	6002		
Interstate & Foreign Sales	6004		
Amounts Paid to Another for Services Jointly Provided	6039		
Amounts Received by Nonprofit Water Association for Capital Projects	6040		
Amounts Derived From Distribution of Water Through Irrigation Systems	6041		
Conservation Expenditures	6057		
Reclaimed Water	6058		
Other (Explain):	6099		
<b>TOTAL</b>			
<b>Line 46 - Sewer Collection</b>	<b>I.D.</b>	<b>Amount</b>	
Bad Debts	6101		
Cash & Trade Discounts	6102		
Amounts Paid to Another for Services Jointly Provided	6139		
Other (Explain):	6199		
<b>TOTAL</b>			

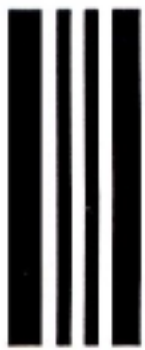


Other (Explain):			
<b>TOTAL</b>			
<b>Line 51 - Other Public Service Business</b>	<b>I.D.</b>	<b>Amount</b>	
Bad Debts	1301		
Cash & Trade Discounts	1302		
Interstate & Foreign Sales	1304		
Amounts Paid to Another for Services Jointly Provided	1339		
Other (Explain):	1399		
<b>TOTAL</b>			
<b>Line 52 - Tobacco Products</b>	<b>I.D.</b>	<b>Amount</b>	
Interstate & Foreign Sales	2004		
Sales to U.S. Government	2018		
Returned/Destroyed Goods	2043		
Other (Explain):	2099		
<b>TOTAL</b>			
<b>Line 53 - Refuse Collection</b>	<b>I.D.</b>	<b>Amount</b>	
Bad Debts	6401		
Sales to U.S. Government	6418		
Sales to Other Refuser/Solid Waste Collectors	6445		
Other (Explain):	6499		
<b>TOTAL</b>			
<b>Line 54 - Petroleum Tax</b>	<b>I.D.</b>	<b>Amount</b>	
Petroleum Products Exported Out of State	5748		
Other (Explain):	5799		
<b>TOTAL</b>			
<b>Line 55 - Hazardous Substance</b>	<b>I.D.</b>	<b>Amount</b>	
Other (Explain):	6599		
<b>TOTAL</b>			

REV 40 2406 JULY/01 (5-25-01)

THIS FORM IS PRINTED ON RECYCLED PAPER

4

# Exercise Four (top page 1)

State of Washington  
Department of Revenue  
PO Box 34064  
Seattle, WA 98124-1064

**APR - MAY - JUN 2001**

**COMBINED EXCISE TAX RETURN**

☐ **ONLY** Fill in Box if Amended/Supplemental Return Information Attached

NAME \_\_\_\_\_ REG NO. 600-600-600

FIRM NAME Cindy's Helmet Manufacturing

STREET ADDRESS 1234 Middle Street

CITY, STATE, ZIP Everett, WA 98206

☒ Filing electronically? Only fill in this box ☐ and Total Amount Owed.

Address Changes? ☐ business location ☐ mailing address ☐ both ☐ Business closed? ☐ Date closed \_\_\_\_/\_\_\_\_/\_\_\_\_ See note 5, page 2.

Please fill in the appropriate box and make address changes to the above label.

I STATE BUSINESS AND OCCUPATION TAX							
Line No.	Tax Classification	Code	Column 1 Gross Amount	Column 2 Deductions* Totals from Pg. 3 & 4	Column 3 Taxable Amount	Col. 4 Rate	Column 5 Tax Due
1	Extracting, Extracting for Hire	16				.00484	
2	Slaughter, Break Proc., Parish Meat/Whale, Mtg Wheat into Flour, Raw Seafood, Soybean & Canola Proc	30				.00138	
3	Travel Agent Com; Int Charter Freight Brokers, Stevedoring	28				.00275	
4	Insurance Agents; Insurance Brokers Commis	14				.00484	
5	Manuf Fresh Fruit and Veg; Split or Proc Dried Peas	21				.00138	
6	Processing for Hire; Printing and Publishing	10				.00484	
7	Manufacturing	07	40,909 09		40,909 09	.00484	198 00
8	Royalties; Child Care	80				.00484	
9	Wholesaling	03	40,909 09	20,867 77	20,041 32	.00484	97 00
10	Warehousing, Radio & TV Broadcasting; Public Road Construction, Government Contracting	11				.00484	
11	Public or Nonprofit Hospitals	55				.015	
12	Cleanup of Radioactive Waste for US Gov't; Environmental Remedial Action	83				.00471	
13	Service & Other Activities	04				.015	
14	Retailing of Interstate Transportation Equip	19				.00484	
15	Retailing	02				.00471	
						<b>TOTAL B&amp;O TAX</b>	<b>295 00</b>

GROSS AMOUNTS FOR RETAILING AND RETAIL SALES MUST BE THE SAME

\* Deductions taken but not itemized on pages 3 and 4 will be disallowed.

**II STATE SALES AND USE TAX**

# Exercise Four (bottom page 1)

GROSS AMOUNTS FOR RETAILERS AND RETAIL SALES MUST BE THE SAME		II STATE SALES AND USE TAX	
16	Retail Sales (also complete local tax section III)	01	.065
17	Use Tax (also complete local tax section III)	05	.065
		Value of articles used by taxpayer as a consumer on which no Washington sales tax has been paid	
		TOTAL STATE SALES & USE TAX	

III LOCAL CITY AND/OR COUNTY SALES AND USE TAX					
Local Sales Tax (Enter applicable rate of tax)				Code 45	
Total Taxable Amount must be the same as line 16, column 3, Taxable Amount					
Line No.	Location Code	Taxable Amount	Local Rate	Tax Due City or Co.	
18					
19					
20					
21					
22					
TOTAL TAXABLE			TOTAL		
Local Use Tax (Enter applicable rate of tax)				Code 46	
Total Value of Articles must be the same as line 17, column 1, Gross Amount					
Line No.	Location Code	Value of Articles	Local Rate	Tax Due City or Co.	
23					
24					
25					
TOTAL VALUE OF ARTICLES			TOTAL		
Line No.	Tax Classification	Code	Taxable Amount	Rate	Tax Due
26	Region Transit Authority (RTA)	89		.004	
27	King County Food & Bev	90		.006	
28	Liter Tax	36		.00015	

Line No.	Item	VIII TOTALS
29	Total All Tax Due from page 1	295 00
30	Total All Tax Due from page 2	
31	Rental Car Tax (attach Rental Car Tax Addendum)	
32	Subtotal (add lines 29-31)	295 00
33	Credit (from page 2, section VII, total credit)	112 00
34	Subtotal (subtract line 33 from line 32)	183 00
35	Penalty *	Minimum \$5.00
36	Interest	
TOTAL AMOUNT OWED (add lines 34 - 36)		183 00

REV 40 2406 Q2/01 (5-04-01)

\* If you qualify, attach penalty waiver request and fill in box (see note 4, page 2)

Page 1

# Exercise Four (bottom page 2)

## NOTE:

1. If you do not have deductions, do not return pages 3 and 4.
2. If you have deductions, complete and return pages 3 and 4.
3. **LOCAL CITY AND/OR COUNTY SALES AND USE TAX.** For your convenience, a copy of the Local City and/or County Sales and Use Tax supplemental form is provided in the "Business Tax Guide." If more space is required, you may make copies of this form or attach additional local tax information in the same format.
4. For more information about the penalty waiver criteria, please call Tax Express at (800) 334-8969, enter code 429.
5. For more information about business closures, please call Tax Express at (800) 334-8969, enter code 430.
6. If you would like to file "No Business Activity" by telephone, please call our toll-free number (800) 647-7706 and do not mail return.
7. To inquire about the availability of this form in an alternate format for the visually impaired, please call (360) 753-3217. Teletype (TTY) users may call (800) 451-7985.
8. **Need Help?** If you need further information, please refer to the "Business Tax Guide", or call the Department of Revenue office nearest you, or our toll-free number (800) 647-7706. You may also access our Internet home page at <http://dor.wa.gov>.

## TOTAL OTHER TAXES

(add lines 52-58)

## VII CREDITS

Line No.	Credit Classification	Credit I.D.	Amount
59	Multiple Activities Tax Credit (attach Schedule C)	800	97 00
60	High Technology Credit (attach Research & Development Credit Affidavit)	830	
61	Manufacturing Software; Programming Rural Employment B&O Credit	860	
62	Help Desk Services B&O Credit	865	
63	Alternatives to Field Burning B&O Credit	875	
64	International Services Credit	855	
85	Small Business B&O Tax Credit (see table enclosed)	815	15 00
66	Electric Utility Rural Economic Development Revolving Fund Public Utility Tax Credit	870	
67	Bad Debt Tax Credit (attach Schedule B)	801	
68	Hazardous Substance	805	
69	Other Credits (attach appropriate documents)	810	
TOTAL CREDIT (transfer to page 1, line 33)			112 00



# Exercise Four (top page 3)



State of Washington  
Department of Revenue  
PO Box 34054  
Seattle, WA 98124-1054

APR – MAY – JUN 2001  
DEDUCTION DETAIL

Q2

01

- Deductions taken on the Combined Excise Tax Return, but not itemized on this form will be disallowed.
- Report deductions under the heading that corresponds to your reporting activity.
- Transfer the total amount of each deduction from this form to the corresponding tax classification on your return in the deduction column.

*If Completing, Fill out Name, Registration Number and Attach to Combined Excise Tax Return.*

▶ Name Cindy's Helmet Manufacturing Registration No. 600 - 600 - 600

Line 1 - Extracting, Extracting for Hire	I.D.	Amount
Bad Debts	1601	
Cash & Trade Discounts	1602	
Other (Explain):	1699	
<b>TOTAL</b>		
Line 2 - Slaughter, Break Processing...	I.D.	Amount
Bad Debts	3001	
Cash & Trade Discounts	3002	
Other (Explain):	3099	
<b>TOTAL</b>		
Line 3 - Travel Agent Com; Intl Charter...	I.D.	Amount
Bad Debts	2801	
Cash & Trade Discounts	2802	
Other (Explain):	2899	
<b>TOTAL</b>		
Line 4 - Insurance Agents; Insurance...	I.D.	Amount
Bad Debts	4001	
Cash & Trade Discounts	4002	
Other (Explain):	4099	
<b>TOTAL</b>		

Line 9 - Wholesaling	I.D.	Amount
Bad Debts	0301	
Cash & Trade Discounts	0302	
Interstate & Foreign Sales	0304	20,867 77
Motor Vehicle Fuel Tax	0305	
Casual Sales; Accommodation Sales	0306	
Advances Reimbursements; Rtns & Allowances	0307	
No Local Activity	0308	
Other (Explain):	0399	
<b>TOTAL</b>		20,867 77
Line 10 - Warehousing; Radio & TV...	I.D.	Amount
Bad Debts	1101	
Cash & Trade Discounts	1102	
Interstate & Foreign Sales	1104	
Advances Reimbursements; Rtns & Allowances	1107	
Radio/TV Advertising	1109	
Other (Explain):	1199	
<b>TOTAL</b>		

# Exercise Four (top Schedule C)



State of Washington  
Department of Revenue  
Taxpayer Account Admin.  
PO Box 47476  
Olympia, WA 98504-7476

## STATE OF WASHINGTON MULTIPLE ACTIVITIES TAX CREDIT SCHEDULE C

NAME	REG NO. <u>600-600-600</u>
FIRM NAME <u>Cindy's Helmet Manufacturing</u>	
ATTACHED TO: <u>Q2</u> <u>01</u>	EXCISE TAX RETURN
<small>Period</small>	<small>Year</small>

### INSTRUCTIONS FOR PART 1

Use Part 1 ONLY if you have paid taxes to other states with respect to activities also taxable in Washington.

- Find the Activity (A through E) which applies to your business (more than one activity may apply).
- Enter in Column 1 the taxable amount pertaining to that activity as reported on the Combined Excise Tax Return.
- Enter in Column 2 the amount of Washington B & O Tax due on the amount in Column 1.
- Enter in Column 3 the amount of gross receipts tax paid to other states under the appropriate heading.
- Enter in Column 4 the lesser of the amounts entered in Columns 2 and 3.
- Add all amounts in Column 4 and enter in the Subtotal Box.

### PART 1 - EXTERNAL CREDITS "Taxes Paid To Other States"

	Column 1	Column 2	Column 3			Column 4
ACTIVITY WHICH RESULTS IN A TAX CREDIT	Taxable Amount	B & O Taxes Paid	Gross Receipts Taxes Paid			Total Credit
			Other U.S. States	Non-Washington Local Govts.	Foreign Countries and Territories	
A. Sales in Washington of products extracted outside of Washington						67
B. Sales in Washington of products manufactured outside of Washington						67
C. Washington manufactured products extracted outside of Washington						67
D. Washington extracted products sold outside of Washington						68
E. Washington manufactured products sold outside of Washington						68
Multiple Activities Tax Credit Subtotal of taxes paid to other states						

# Exercise Four (bottom Schedule C)

## INSTRUCTIONS FOR PART II

Use Part II ONLY if you have reported taxable amounts under two or more Washington B & O tax classifications.

Make no entries in the shaded boxes.

- Find the Activity (F, G or H) which applies to your business (more than one activity may apply).
- Enter in Column 1 the taxable amount pertaining to this activity.
- Enter in Column 2 the B & O Tax applicable to this activity under the appropriate heading(s). (Use the appropriate tax rates for your activities as shown on the Combined Excise Tax Return, Column 5).
- For Activity F enter in Column 3 the tax amount listed under Extracting.
- For Activity G combine the amounts entered under wholesaling and retailing and enter the result in Column 3.
- For Activity H combine the amounts entered under wholesaling and retailing. Enter in Column 3 the lesser of the manufacturing or the combined wholesaling and retailing amount.
- Add all amounts in Column 3 and enter in Subtotal Box.

### ACTIVITY WHICH RESULTS IN A TAX CREDIT

### PART II - INTERNAL CREDITS "Taxes Paid To Washington State"

	Column 1	Column 2				Column 3
	Taxable Amount	Business And Occupation Tax Reported				Total Credit
		Extracting	Manufacturing	Wholesaling	Retailing	Line Code
F. Washington extracted products manufactured in Washington						16
G. Washington extracted products sold in Washington						16
H. Washington manufactured products sold in Washington	20,041.32		97.00	97.00		07
Multiple Activities Tax Credit Subtotal of taxes paid to Washington State.						97.00
Enter the total credits from Part I and Part II in this box and transfer the amount to the Multiple Activities Tax Credit line on the Combined Excise Tax Return						Credit ID 800 97.00

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 753-3217. Teletype (TTY) users please call (800) 451-7985.

REV 40 0014 (7-16-96)



State of Washington  
Department of Revenue  
PO Box 34051  
Seattle, WA 98124-1051

**COMBINED EXCISE TAX RETURN**

**ONLY Fill in Box if Amended Return Information Attached**

01

NAME Doe, Jim REG NO 600-600-600  
FIRM NAME Jim's Construction  
STREET ADDRESS 123 B Street  
CITY, STATE, ZIP Lacey, WA 98503

 Filing electronically? Only fill in this box ☐ and Total Amount Owed.

Address Changes?      business location      mailing address      both      Business closed?      Date closed \_\_\_\_/\_\_\_\_/\_\_\_\_      See note 5, page 2

Please fill in the appropriate box and make address changes to the above label

**1 STATE BUSINESS AND OCCUPATION TAX**

Line No.	Tax Classification	Code	Column 1 Gross Amount	Col. 2 Deductions* Totals from Pg. 3 & 4	Column 3 Taxable Amount	Col. 4 Rate	Column 5 Tax Due
1	Extracting, Extracting for Hire	16				.00484	
2	Slaughter, Break Proc, Pouch Meat-Whisk, Mfg Wheat into Flour, Rure Seedbed, Soybean & Canola Proc	30				.00138	
3	Travel Agent Com, Int Charter Freight Brokers, Seaworking	28				.00275	
4	Insurance Agents; Insurance Brokers Comm	14				.00484	
5	Manuf Fresh Fruit and Veg, Split or Proc Dried Peas, Prescription Drug Warehousing	21				.00138	
6	Processing for Hire, Printing and Publishing	10				.00484	
7	Manufacturing	07				.00484	
8	Royalties; Child Care	80				.00484	
9	Wholesaling	03	2,000 00		2,000 00	.00484	9 68
10	Warehousing, Radio & TV Broadcasting; Public Road Construction; Government Contracting	11				.00484	
11	Public or Nonprofit Hospitals	55				.015	
12	Cleanup of Radioactive Waste for US Govt; Environmental Remedial Action	83				.00471	
13	Service & Other Activities	04				.015	
14	Retailing of Interstate Transportation Equip	19				.00484	
15	Retailing	02	20,000 00		20,000 00	.00471	94 20

\* Deductions taken but not itemized on pages 3 and 4 will be disallowed.

GROSS AMOUNTS FOR RETAILING AND

TOTAL REG TAX

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

# Exercise 5 (bottom page 1)

**GROSS AMOUNTS FOR RETAILING AND RETAIL SALES MUST BE THE SAME**

\* Deductions taken but not itemized on pages 3 and 4 will be disallowed.

**TOTAL B&O TAX** 103 88

**II STATE SALES AND USE TAX**

16	Retail Sales (also complete local tax section III)	01	20,000 00	400 00	19,600 00	.065	1,274 00
17	Use Tax (also complete local tax section III)	05	15,000 00			.065	975 00

Value of articles used by taxpayer as a consumer on which no Washington sales tax has been paid

**TOTAL STATE SALES & USE TAX** 2,249 00

**III LOCAL CITY AND/OR COUNTY SALES AND USE TAX**

Local Sales Tax (Enter applicable rate of tax) Code 45  
Total Taxable Amount must be the same as line 16, column 3, Taxable Amount

Line No.	Location Code	Taxable Amount	Local Rate	Tax Due City or Co.
18	1700	19,600 00	.019	372 40
19				
20				
21				
22				

**TOTAL TAXABLE** 19,600 00 **TOTAL** 372 40

Local Use Tax (Enter applicable rate of tax) Code 46  
Total Value of Articles must be the same as line 17, column 1, Gross Amount

Line No.	Location Code	Value of Articles	Local Rate	Tax Due City or Co.
23	2717	15,000 00	.016	240 00
24				
25				

**TOTAL VALUE OF ARTICLES** 15,000 00 **TOTAL** 240 00

Line No.	Tax Classification	Code	Taxable Amount	Rate	Tax Due
26	Region Transit Authority (RTA)	89	34,600 00	.004	138 40
27	King County Food & Bev	90		.005	
28	Litter Tax	36		.00015	

**AUGUST 2001**

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

**25** DUE DATE: AUGUST 25, 2001  
5% Penalty is Due After August 27, 2001  
10% Penalty is Due After October 1, 2001  
20% Penalty is Due After October 31, 2001  
If the due date falls on a weekend or legal holiday, the due date is extended to the next business day.

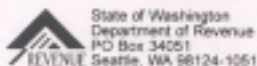
Please fill in this box if you had no business activity. ☐ (see note 6, page 2)  
This return must be mailed, unless filed electronically with no tax due.  
Please make check or money order payable to the Washington State Department of Revenue. Do not send cash or coins.  
For assistance, call (800) 647-7706.

Signature Gina Doe  
Ph. (360) 753-0000 Date 8/5/01

**VIII TOTALS**

Line No.	Item	Total
29	Total All Tax Due from page 1	3,103 68
30	Total All Tax Due from page 2	
31	Rental Car Tax (attach Rental Car Tax Addendum)	
32	Subtotal (add lines 29-31)	3,103 68
33	Credit (from page 2, section VII, total credit)	
34	Subtotal (subtract line 33 from line 32)	3,103 68
35	Penalty *	Minimum \$5.00
36	Interest	
	<b>TOTAL AMOUNT OWED (add lines 34 - 36)</b>	<b>3,103 68</b>

# Exercise 5 (top page 3)



State of Washington  
Department of Revenue  
PO Box 34051  
REVENUE Seattle, WA 98124-1051

## JULY 2001 DEDUCTION DETAIL

07  
01

- Deductions taken on the Combined Excise Tax Return, but not itemized on this form will be disallowed.
- Report deductions under the heading that corresponds to your reporting activity.
- Transfer the total amount of each deduction from this form to the corresponding tax classification on your return in the deduction column.

*If Completing, Fill out Name, Registration Number and Attach to Combined Excise Tax Return.*

Name

Jim's Construction

Registration No.

600 - 600 - 600

Line 1 - Extracting, Extracting for Hire	I.D.	Amount
Bad Debts	1601	
Cash & Trade Discounts	1602	
Other (Explain):	1699	
<b>TOTAL</b>		
Line 2 - Slaughter, Break Processing...	I.D.	Amount
Bad Debts	3001	
Cash & Trade Discounts	3002	
Other (Explain):	3099	
<b>TOTAL</b>		
Line 3 - Travel Agent Com; Intl Charter...	I.D.	Amount
Bad Debts	2601	
Cash & Trade Discounts	2602	
Other (Explain):	2699	
<b>TOTAL</b>		
Line 4 - Insurance Agents; Insurance...	I.D.	Amount
Bad Debts	1401	
Other (Explain):	1499	
<b>TOTAL</b>		
Line 5 - Manufacturing Fresh Fruits and...	I.D.	Amount
Bad Debts	2101	
Cash & Trade Discounts	2102	
Other (Explain):	2199	
<b>TOTAL</b>		

Line 9 - Wholesaling	I.D.	Amount
Bad Debts	0301	
Cash & Trade Discounts	0302	
Interstate & Foreign Sales	0304	
Motor Vehicle Fuel Tax	0305	
Casual Sales; Accommodation Sales	0306	
Advances Reimbursements; Rtns & Allowances	0307	
No Local Activity	0308	
Other (Explain):	0399	
<b>TOTAL</b>		
Line 10 - Warehousing; Radio & TV...	I.D.	Amount
Bad Debts	1101	
Cash & Trade Discounts	1102	
Interstate & Foreign Sales	1104	
Advances Reimbursements; Rtns & Allowances	1107	
Radio/TV Advertising	1109	
Other (Explain):	1199	
<b>TOTAL</b>		
Line 11 - Public or Nonprofit Hospitals	I.D.	Amount
Bad Debts	5501	
Cash & Trade Discounts	5502	
Advances Reimbursements; Rtns & Allowances	5507	
Other (Explain):	5599	
<b>TOTAL</b>		
Line 12 - Cleanup of Radioactive Waste...	I.D.	Amount

# Exercise 5 (middle page 4)

Not all deductions are allowable from both Retailing (B&O Tax) and Retail Sales Tax.

Line 16 - Retail Sales Tax	I.D.	Amount
Bad Debts	0101	
Cash & Trade Discounts	0102	
Interstate & Foreign Sales	0104	
Tax in Gross	0114	
Sales to U.S. Government	0118	
Motor Vehicle Fuel Sales	0119	
Prescription Drugs/Hearing Aids/Lenses/etc	0121	
Exempt Food Sales	0122	
Qualified Nonresident Sales	0123	
Trade-in Allowance	0124	
Newspapers	0125	
Certain Network Telephone Service	0126	
Sales to Indians with Delivery on the Reservation	0128	
Sales of Feed to Fish Farmers	0129	
Taxable Amount for Tax Paid at Source	0130	400.00
Returns & Allowances	0131	
Sales to Nonprofit Artistic/Cultural Art Objects for Displays	0132	
Ride-Sharing Vans	0134	
Purebred Livestock for Breeding	0135	
Tax Deferral/Investment Certificate No. _____	0136	
Sale of Manufacturing Mach/Equip; Install Labor	0156	
Other (Explain):	0199	
<b>TOTAL</b>		<b>400.00</b>

Line 45 - Water Distribution	I.D.	Amount
Bad Debts	6001	
Cash & Trade Discounts	6002	
Interstate & Foreign Sales	6004	

Line 49 - Motor Transportation; Railroad...	I.D.	Amount
Bad Debts	0801	
Cash & Trade Discounts	0802	
Interstate & Foreign Sales	0804	
Amounts Paid to Another for Services Jointly Provided	0839	
Other (Explain):	0899	
<b>TOTAL</b>		

Line 50 - Urban Transportation; Vessels...	I.D.	Amount
Bad Debts	1201	
Cash & Trade Discounts	1202	
Interstate & Foreign Sales	1204	
Amounts Paid to Another for Services Jointly Provided	1239	
Other (Explain):	1299	
<b>TOTAL</b>		

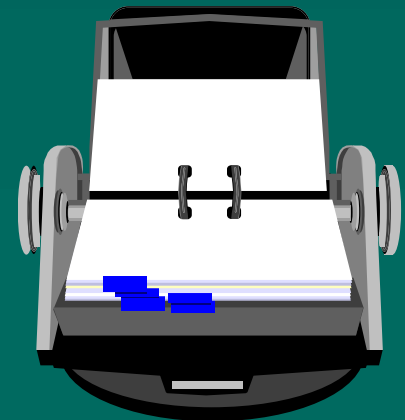
Line 51 - Other Public Service Business	I.D.	Amount
Bad Debts	1301	
Cash & Trade Discounts	1302	
Interstate & Foreign Sales	1304	
Amounts Paid to Another for Services Jointly Provided	1339	
Other (Explain):	1399	
<b>TOTAL</b>		

Line 52 - Tobacco Products	I.D.	Amount
Interstate & Foreign Sales	2004	
Sales to U.S. Government	2018	
Returned/Destroyed Goods	2043	
Other (Explain):	2099	
<b>TOTAL</b>		

# *Additional Assistance*

- ❖ 13 Field Office Locations
- ❖ State of Washington  
Department of Revenue  
Taxpayer Information and Education Section  
PO Box 47478  
Olympia, WA 98504-7478
- ❖ 1-800-647-7706



# *Web Site* (*dor.wa.gov*)

- ❖ Overview of Washington taxes
- ❖ Search publications, rules, laws
- ❖ State Business Records Database
- ❖ Unclaimed Property Database
- ❖ Geographic Information System (GIS)
- ❖ Electronic Filing (ELF)
- ❖ Taxpedia





***Thank You***

Please take a minute to fill out the  
course evaluation form.



**Thank You  
for Coming!!**

We appreciate your comments and suggestions!